MINUTES OF THE

PRIVATE PROTECTIVE SERVICES BOARD MEETING

DECEMBER 14, 2007

HOLIDAY INN BROWNSTONE

1707 HILLSBOROUGH STREET

RALEIGH, NC 27605

BOARD MEMBER PRESENT

BOARD MEMBER ABSENT

Richard Allen James Stevens Bill Booth

Sally Pleasant Mack Donaldson
Steve Johnson Jimmy Ashe
Richard Jenkins Berkley Blanks
David Grimes David Pendry
Brenda Bishop Ron Burris

STAFF PRESENT

Terry Wright – Director Charles McDarris – Attorney

Mark Poole – Deputy Director Joyce McClure - Board Secretary

Larry Liggins – Field Services Supervisor Susan Harrison – Licensing Assistant

Phillip Stevenson - Investigator

GUEST PRESENT

Stephen Ciliberti Larry Flannery Monty Clark

Bill Dover Sybil Richards Jeff Kiker

Steven McCallisto Tim McIntyre Nick Nicholson

Ed Cobbler Lou Rogers Julie Hubay

Chairman Blanks called the December 14, 2007 Private Protective Services Board meeting to order at 9:00 a.m. Mr. Blanks welcomed all guest and requested they introduce themselves. Mr. Blanks requested all phones and pages be turned off during the meeting.

Attorney Charles McDarris explained the State Ethics Law, signed by Governor Easley, which addresses the ethics of public officials. This Order states specifically that if any Board Member has any conflict of interest, potential conflict of interest, or the appearance of a conflict, he or she should remove themselves from deliberation and vote on that matter and so state on the record.

GOOD OF THE ORDER:

Mr. Monty Clark – President NCAPI, welcomed the new board members and advised the Association was looking forward to working with all board members in the future. Mr. Clark congratulated Mr. Greg Scott and Mr. David Grimes as members of the World Association of Detectives. Mr. Clark invited all board members to attend their continuing education meeting to be held in Chapel Hill on Thursday, Friday and Saturday of next week.

Mr. Larry Alexander – NC Association of Security Professionals was not present.

APPROVAL OF THE OCTOBER 19, 2007 MEETING MINUTES:

MOTION BY MR. BURRIS TO APPROVE THE MINUTES AS PRESENTED SECONDED BY MR. GRIMES MOTION CARRIED.

SCREENING COMMITTEE REPORT:

Mr. Allen reported the Screening Committee met on Thursday December 13, 2007 from 8:07 a.m. until 4:00 p.m. to review a total of 60 applications (see report). Committee members were, Mr. Allen, Mr. Ashe, Mr. Pendry, Mrs. Pleasant and Mrs. Bishop. Mr. Allen read the report for the record.

Mr. Ashe recused himself from item number 56, Tyres Gralen Tatum.

Mrs. Pleasant recused herself from item number 59, Michael Clifford Walker.

MOTION TO ACCEPT THE SCREENING COMMITTEE REPORT BY MR. PENDRY. SECONDED BY MR. STEVENS, MOTION CARRIED.

Mr. Allen presented the following registration report for the period of 10/17/07 through 12/11/07. Total registrations 3,247; armed totals were 615 of which 181 were new, 351 were renewals, 19 were transfers, 2 duplicate and 62 reissue/dual. Unarmed totals were 2,632 which include 1,423 new, 1,091 renewals, 116 transfer and 2 duplicates. Total denials 502 of which 165 for cause and 337 for correctable. There were 257 applications approved which were previously denied for a total of 759 denials reviewed.

MOTION BYMR. PENDRYTO ACCEPT THE REGISTRATION REPORT. SECONDED BY

MR. STEVENS, MOTION CARRIED.

GRIEVANCE COMMITTEE REPORT:

Mr. Grimes reported the committee met on Wednesday December 12, 2007 from 9:05 a.m. until 12:40 p.m. and from 1:20 p.m. until 4:30 p.m. to hear a total of fourteen cases. The committee members were Mr. Grimes, Mr. Jenkins, Mr. Stevens and Mr. Donaldson. Mr. Grimes presented the attached report. (see attachment)

Mr. Blanks stated for the record he would recuse himself from any action on case number 015 and 043.

MOTION BY MR. JOHNSON TO ACCEPT THE GRIEVANCE COMMITTEE REPORT. SECONDED BY MR. ALLEN, MOTION CARRIED.

FINAL AGENCY DECISIONS:

Attorney McDarris removed himself as Attorney for the Board and presented the following cases. All parties had been properly noticed of this meeting and none were in attendance.

Case number 07DOJ0468 Jeffrey S. Moore vs PPS Board. Mr. Moore was not present. This case was the suspension of Mr. Moore's Private Investigator License for six months for failure to render services as agreed upon. This case was heard on May 24, 2007 by Senior Administrative Law Judge Fred G. Morrison, Jr. The recommendation of Administrative Law Judge Morrison is the Board suspend it's decision to suspend the Private Investigator license for six months upon the condition Mr. Moore repay \$351.25 to Ms. Broughton. Mr. Burris, Mr. Grimes and Mr. Stevens did not participate in this matter.

MOTION BYMR. JOHNSON TO REJECT THE PROPOSAL OF JUDGE MORRISON AND SUSPEND THE PRIVATE INVESTIGATOR LICENSE OF MR. MOORE FOR SIX MONTHS. SECONDED BY MRS. PLEASANT. MOTION CARRIED.

Mr. McDarris returned as Attorney for the Board.

TRAINING & EDUCATION COMMITTEE:

Mr. Stevens advised the Training & Education Committee met on Thursday December 13, 2007. The committee members were Mr. Stevens, Mr. Johnson, Mr. Grimes and Mr. Allen.

Mr. Stevens gave the following report. The following classes will be held in February:

February 14, 15 and 18, 2008 Unarmed Guard Trainer at, WTCC

February 19, 2008 Firearms Trainer Recertification at NCJA

February 15 – 29, 2008 Firearms Trainer Certification at NCJA

The following PPS trainer courses have been completed:

October 11,12, & 15, 2007 Unarmed Guard Trainer at WTCC

December 6,7,&10, 2007 Unarmed Guard Trainer at WTCC

Currently we have 389 certified PPS unarmed trainers; 108 PPS certified armed trainers and 116 PPS certified OC spray trainers.

Mr. Stevens advised in late October Mr. Pressely visited a firearms training class to monitor for PPS compliance. The students in the class were firing revolvers and the following was noted:

Students having trouble firing weak hand

Students not holding the revolver correctly during reloading

The students, aiming at the 3 yard line and as a result not getting their shots off.

Class fired part of one box of ammo for practice prior to attempting to qualify.

The class rate for this particular class was 72% failing – 28% passing.

In late October he visited a very small recertification class. The trainer had 3 students show up and when he walked up the trainer sent two students away. The remaining student failed to qualify and there was no practice attempted prior to qualification attempt.

In early November, he visited a small recertification class. The trainer had the students fire part of a 50 round box for practice prior to attempting to qualify. The trainer called the course of fire as required by PPS. Two students qualified day time but none qualified during the night time. Two students were former law enforcement officers and one of those could not complete the course because he did not have the hand strength to load the magazines. The other former law enforcement officer was attempting to qualify with a .357 sig.; but failed. This particular company only hires individuals with previous law enforcement, military or armed security experience.

In mid November, he visited a medium sized recertification class. Two students did not show up for the class (one was 80 years old). The remaining students were firearms enthusiast and had no problem qualifying during the course for day and night. They did not fire practice rounds prior to attempting to qualify.

Mr. Stevens reported the committee has received information along with a request from Mr. Kevin Wetzel regarding consideration for a Countermeasure school. This issue will be discussed at a future Board meeting.

The matter of the Electronic Countermeasure training was discussed along with the cost of the proper equipment required to perform this task.

Mr. Stevens requested the people in this field attend the T&E Committee meetings and provide the committee with input.

Mr. Blanks reported he was astonished with the report regarding firearms training with the percentage of failures.

Mr. Stevens advised this is something we are looking at and with Mr. Pressley showing up it is being effective. The matter is serious and really needs to be looked into.

MOTION BY MR. GRIMES TO ACCEPT THE TRAINING AND EDUCATION COMMITTEE REPORT. SECONDED BY MRS. BISHOP. MOTION CARRIED.

FIANCE COMMITTEE REPORT - NONE

GRIEVANCE COMMITTEE REPORT:

Mr. Grimes requested that the Board review the issue of electronic reports and electronic signatures as well as data base specialists. He further advised that it is his understanding that data base specialist are working with some of the PI firms conducting computerized checks and making telephone calls. They also report their findings to their team leader and ultimately to the vice president of claims services. The Board should review this matter to determine if these individuals need to have a private investigator license or an associate license. The committee recommended to the company that these individuals should be licensed.

Mr. McDarris stated that this issue came up in the Screening Committee as well.

Mr. Stevens also requested to know if these individuals are required to be licensed, would the Board allow that experience gained as data base specialist to be used to qualify for their full license.

Mr. Grimes advised this has been a dilemma for several years regarding qualified experience and it really needs to be address with a directive so everyone will know what will and will not be accepted.

Mr. Donaldson requested to know since we have approved criminal record check .com to do this type of work how will that affect this matter.

Mr. Blanks suggested this be discussed by the Computer Forensic committee along with the 74C re-write committee.

MOTION BY MR. JENKINS TO SEND THIS MATTER TO THE COMPUTER FORENSIC COMMITTEE. SECONDED BY MR. JOHNSON. MOTION CARRIED.

10:25 am Break

10:35 am Reconvened

Mr. Blanks called the meeting back to order and requested the committee report for 74C rewrite.

74C RE-WRITE COMMITTEE:

Mr. Burris advised the committee met on Thursday December 13, 2007. Mr. Burris stated this was our second meeting and we have continued to receive valid input from the industry. Our next meetings will be held in Hickory on Tuesday February 5, 2008 and April 17, 2008 in Sea Trail.

Mr. Burris advised the following items have been added to the list:

- 1. Grace period for companies with correctable denials to allow for the corrections without pulling employees from the job.
- 2. Training requirements for Tasers
- 3. Include unprofessional behavior of licensees for suspension or revocation of their license.
- 4. Extension of two year registration for unarmed guards
- 5. Sponsors of Associates must provide the logs to the Associate when they change sponsors
- 6. Extend the time for experience for a Private Investigator

The following list was presented by the PPS staff for consideration:

- 1. Include Statute of limitations for filing of appeals
- 2. OC Spray trainer language in 74C-14 to allow the Board to provide standards for trainers to be approved.
- 3. Include provision that Board and Attorney General will determine time period that armed and unarmed training certificates are valid.
- 4. Address PJC in 74C-8(d)(2) and its inclusion/exclusion to the definition of "conviction".
- 5. Delete the reference to the NC Utilities Commission in 74C-3(a) (1) as it no longer regulates armored car.
- 6. Include provision in 74C & 74D to make investigations confidential documents until after completion of hearing at which time the records may be public records.
- 7. 74C-12(c)(1) and 74C-21 (a) seem to be inconsistent. Define who is a "sworn court official".
- 8. Insert language that can deny a license/registration application for "lack of financial responsibility".
- 9. Include provision that grounds for revocation, or suspension for falsification of information on a Complaint form. Currently can only be disciplined for falsification on an application.
- 10. Review 74C-13 and provisions which would require armed guards to submit applications within

a certain time frame. Language should be changed to require submission within 30 days.

- 11. 74C-11 Change the language in the probationary provision to reflect 20 consecutive days.
- 12. Need to consider language in the statute to provide guidance to companies when they acquire another company.
- 13. Computer Forensics License
- 14. Conflict with 74C-12© and 74C-21(b) law enforcement allowed to work as registered guards but not company police officers.
- 15. Amend 74C-9(e) to reflect that the \$50.00 dollar fee for an additional license is per license term.
- 16. Need grace period for late fee for trainer applications.

Mr. Blanks thanked all that attended the meeting.

MOTION BY MR. GRIMES TO ACCEPT THE COMMITTEE REPORT. SECONDED BY MR. STEVENS. MOTION CARRIED.

SCREENING COMMITTEE:

Nothing further to report.

OLD BUSINESS:

Mr. Grimes reported on the status of the badges. Mr. Grimes stated that Mr. Eddie Caldwell has been contacted and this matter is still being looked into. Mr. Caldwell has requested a letter from the Director addressed to him requesting that the Sheriff's Association provide a written opinion regarding the acceptance of the badge and he would reply.

Mr. McDarris advised once the Sheriff's Association and the Chief of Police Association has signed off, we will report back and once approved at that point the industry would be able to order the badge. However, until that time no badges are allowed.

Mr. Grimes discussed the matter of the ten year rule regarding experience for Investigators. Currently if we have an application that falls outside the current ten year time frame they have to start as a Private Investigator Associate. Mr. Grimes stated it is his opinion only, that a person with prior experience you do not forget that. Mr. Grimes requested the matter of the time limit be withdrawn or something be done to accept the prior experience.

Mr. Clark advised he agreed with Mr. Grimes, however, there are a lot of factors to consider. Mr. Clark advised the individuals' background needed to be looked at and then decide if they qualify for a license. Mr. Clark feels the board has the ability to decide if a person is qualified or not.

Mrs. Pleasant brought up the matter of technology now compared with ten years ago. Mrs. Pleasant asked

whether we should have some type of class or training period the applicant should complete prior to obtaining a license.

Mr. Grimes brought up the matter of continuing education in the future. This would be one way for these people to complete any necessary training.

Mr. McDarris advised that the Board now has the authority to approve training schools for license and renewals.

Mr. Ashe advised the problem is verifiable experience which the board has problems with on a daily basis. If a person is not able to verify their prior experience due to files being destroyed etc., then we do have a problem.

Mr. McIntyre advised he feels the board should have the authority to decide on varied experience for a license.

Mr. Kiker suggested the applicant's attend NCAPI training to obtain continuing education.

Mr. Clark advised some five years ago SLED enacted mandatory continuing education training for renewal of licenses.

Mr. Stevens requested Monty submit proposed ideas in writing to the T&E Committee to address this matter at the next meeting.

MOTION BY MR. BURRIS TO AMEND THE ADMINISTRATIVE RULES TO REMOVE THE TEN YEAR TIME LIMIT FOR VERIFIABLE EXPERIENCE OF A LICENSE. SECONDED BY MR. GRIMES. MOTION CARRIED.

Mr. Burris reported he, Mr.McDarris and Mr. Poole attended the IASIR meeting which was very beneficial.

Mr. Blanks requested the status of the new identification.

Mr. Wright advised that PPS has been issuing them since October.

Mr. Blanks requested to know the status of Mr. Alexander and the North Carolina Association of Security Professionals. Mr. Wright advised that he would follow up with Mr. Alexander and report back at the next meeting.

NEW BUSINESS:

Mr. Stevens reported that the Armored Car Committee would like to meet on January 10, 2008 at 11:00 am in the BB&T building. He requested Mr. Wright to properly notice all companies.

Mr. Burris handed out two articles from the Lawyers Weekly.

DIRECTOR'S REPORT:

Mr. Wright presented his written report. The budget as of 11/1/2007 we have \$295,191.37 and the recovery fund is \$76,744.53. As of 12/11/07 we have a total of 12,475 PPS registrations, 1,557 license, 613 certifications for a total of 14,645 for PPS.

MOTION TO ACCEPT THE DIRECTOR'S REPORTBYMR. ALLEN. SECONDED BYMR. ASHE. MOTION CARRIED.

ATTORNEY'S REPORT:

Attorney McDarris presented his report.

CONSENT AGREEMENTS AND CIVIL PENALTIES

Joseph Becker – Consent agreement for unlicensed activity in the amount of \$918.00 has been issued.

William Baggett – Civil Penalty of \$500.00 for failing to give a report has been paid. At the October meeting Mr.McDarris had reported that this had not been paid. As a result, the Board requested the matter be referred back to Grievance.

MOTION BY MR. BURRIS TO ACCEPT THE FEE FROM MR. BAGGETT AND CLOSE THIS CASE. SECONDED BY MRS. PLEASANT. MOTION CARRIED.

Joseph D. White – Consent Agreement for \$24,039.60 was issued to Mr. White. He responded that he could not pay. He has surrendered his license to the Board. Mr. McDarris stated that we are proceeding with the revocation hearing.

Henry Harrison – Consent Agreement of \$16,707.60 for registration violations has been issued.

Frank Galizia – Consent Agreement for \$ 918.00 for unlicensed activity has been issued.

Allied Barton – Consent Agreement for \$6,243.20 has been issued.

Stephen Ciliberti – Consent Agreement for \$1,507.00 has not been issued and has been re-noticed for consideration.

OFFICE OF ADMINISTRATIVE HEARINGS:

See attached report.

RULES:

12 NCAC 7D.0901, .0909 – Mr. McDarris stated this went before Rules review yesterday. He will report back at the next meeting.

12 NCAC 7D.0911 – Mr. McDarris stated that this went before Rules Review yesterday. He will report back at the next meeting.

12 NCAC 7D.0601 – Standards for PSE and CI Schools. We need to decide on the number of hours for the Schools.

MOTION BY MR. BURRIS TO SET THE HOURS AT 40 HOURS. SECONDED BY MR. STEVENS. MOTION CARRIED.

MOTION BY MR. BURRIS TO REFER THIS MATTER TO THE TRAINING AND EDUCATION COMMITTEE FOR THE GUIDELINES TO BE SET. SECONDED BY MR. ASHE. MOTION CARRIED.

12 NCAC 7D.0203(b) – an amendment regarding the re-issuance of an expired license has been approved by the Rules Review Commission.

12 NCAC 7D .1109 – Required video training by the Board. The Board voted to repeal the rule. It has been filed with the Rules Review Commission. I will report back at the next meeting.

 $12\ NCAC\ 7D\ .0801$ – has been filed with Rules Review Commission. This will change the age of Armed Security Guards to $21\ years$ of age. I will report back at the next meeting.

12 NCAC 7D. 0908 Post Delivery Reports. This has been a technical change and is before Rules Review Commission. We will report back at the next meeting.

MISCELLANEOUS:

In October Mr. Wright and Mr. McDarris attended the District Attorney's conference in Wilmington. Mr. McDarris stated that we addressed the committee for about thirty minutes, addressed the function of our board and why we sent the request to their office. The larger DA's offices were aware of us and what we did, however, the smaller agencies thought we regulated company police.

Mr. McDarris stated that regarding the insurance coverage for the Board, it appears that we just need to complete the application process and determine the amount of coverage we want.

MOTION BY MR. GRIMES TO PROCEED WITH THE INSURANCE APPLICATION. SECONDED MR. ALLEN. MOTION CARRIED.

We have three matters in Superior Court which are:

Kodiak Security – An injunction has been obtained.

Jason Wright – A temporary restraining order has been filed.

David Shelton – This case has been heard in Superior Court, Guilford County. The Court remanded it back to the Board. He will present that at the next meeting.

The Grievance Committee has scheduled a Special Hearing for a case in Hickory on February 5 through 7, 2008.

MOTION TO ACCEPT THE ATTORNEY'S REPORT BY MR. STEVENS. SECONDED BY MR. GRIMES. MOTION CARRIED.

Mrs. Reynolds requested the status of the Badge.

Mr. Grimes requested with the Board's authority he will take this matter to the Sheriff's Association and have this matter completed by the December meeting.

MOTION BY MR. BURRIS TO GO INTO CLOSED SESSION IN ACCORDANCE WITH NCGS 143.318.11 (a) (6) TO DISCUSS A PERSONNEL ISSUE. SECONDED BY MRS BISHOP. MOTION CARRIED.

At the October Board meeting the Board had remanded Steven Ciliberti's request to be qualifying agent for another company back to the Board. There was a lengthy discussion regarding Mr. Ciliberti's request.

MOTION BY MR. JOHNSON TO APPROVE MR. CILIBERTI'S REQUEST TO BECOME THE QUALIFYING AGENT FOR ANOTHER COMPANY. SECONDED BY SHERIFF ASHE. THE MOTION FAILED 6 TO 5.

MOTION BY MR. GRIMES TO DENY MR. CILIBERTI'S REQUEST TO BECOME THE QUALIFYING AGENT FOR ANOTHER COMPANY. SECONDED BY JUDGE BURRIS. MOTION PASSED 6 TO 5.

MOTION BY JUDGE BURRIS TO REFER MR. CILIBERTI'S UNARMED GUARD TRAINER APPLICATION TO THE SCREENING COMMITTEE. SECONDED BY MR. STEVENS. MOTION APPROVED.

Mr. Blanks reported that a personnel matter was discussed.

MOTION TO ADJOURN BY MR. BOOTH. SECONDED BY MRS. BISHOP. MOTION CARRIED.

12:06 p.m. Adjourned.
Terry M. Wright, Director
Susan B. Harrison, Reporter